



BUDGET COMMITTEE



Judd Gregg, Ranking Member
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Senator Gregg Co-Sponsors Thune TARP Amendment to Debt Limit Bill

*Proposal Would Immediately End TARP Authority and
Reaffirm that Repaid Funds Be Used to Reduce Debt*

Senator Judd Gregg (R-NH), ranking member of the Senate Budget Committee, today co-sponsored Senator John Thune's (R-SD) amendment to the debt limit bill that would end the Troubled Asset Relief Program (TARP) immediately upon enactment and reaffirm that repaid funds be used to reduce the debt. Senator Gregg was one of the lead congressional negotiators on legislation that created TARP in October 2008, and authored language in that law that required repaid funds be applied to reducing the debt.

"This debate is occurring because the federal government is up to its eyeballs in debt, and now the Administration is asking Congress to raise the federal debt limit to more than \$14 trillion," said Senator Gregg. "As the Democratic majority continues to offer a never-ending stream of spending and borrowing proposals that put future generations deeper into debt, we have an absolute responsibility to take common-sense steps that will stop excessive spending and try to get our debt back under control.

"Senator Thune's TARP amendment is one of the most basic steps we can take. The initial use of TARP effectively worked as it was supposed to – shoring up large financial institutions during a crisis in our financial system, but with taxpayers repaid in full by the institutions that are now on more stable footing. The program is no longer needed, and I was extremely disappointed that the Administration decided to extend it to October even though it has announced that it does not have plans to use the remaining funds for purposes intended by the TARP law. TARP should end immediately, and, as the TARP law requires, all repaid funds should be used to reduce our staggering debt burden, not to grow the government bigger than ever."